



Written Statement of  
**Len Higashi**  
Acting Executive Director  
Hawaii Technology Development Corporation  
before the  
**Senate Committee on Energy, Economic Development, and Tourism**  
**And the**  
**Senate Committee on Technology**  
Tuesday, February 5, 2019  
2:50 p.m.  
State Capitol, Conference Room 414

In consideration of  
**SB995**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chairs Wakai and Keohokalole, Vice Chairs Taniguchi and English, and Members of the Committees.

The Hawaii Technology Development Corporation (HTDC) **supports** SB995 that makes an appropriation into and out of the Research and Development special fund for the Research and Development program of the Hawaii Technology Development Corporation.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at promoting technology and innovation jobs. Last session \$1,000,000 was appropriated for the program. HTDC has completed the required public hearing on the proposed administrative rules for the program. HTDC intends to open the application period and make FY19 awards before the end of the fiscal year. HTDC comments that HB623 repeals this program so the bills should be coordinated.

We support this request provided it does not supplant the Governor's priorities in the Administrative budget. Thank you for the opportunity to offer these comments.

**SB-995**

Submitted on: 2/4/2019 6:41:28 AM

Testimony for EET on 2/5/2019 2:50:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Brian Miyamoto	Testifying for Hawaii Farm Bureau	Support	No

Comments:



Statement of  
**Hermann Kugeler**  
**Business Development Manager**  
**Makai Ocean Engineering, Inc.**

before the  
**Senate Committee on Energy, Economic Development, and Tourism**  
**And**  
**Senate Committee on Technology**

Friday, February 5, 2019

2:50pm

State Capitol, Conference Room 414

In consideration of

**SB995**

**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chair Wakai, Vice Chair Taniguchi, and members of the Committee on Energy, Economic Development, and Tourism

Chair Keohokalole, Vice Chair English, and members of the Committee on Technology

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB995** that establishes the research and development program in the Hawaii technology development corporation.

Makai is a locally-owned and operated technology company based in Hawai'i for over 45 years. We are currently performing R&D on a variety of exciting ocean technology projects, including autonomous underwater vehicles, ocean thermal energy conversion (OTEC) and seawater air conditioning (SWAC) systems, submarine and subsea cable systems, and a Department of Energy project to grow and harvest macroalgae offshore in Hawaiian waters to produce a renewable biofuel alternative for transportation.

Makai has been successful in bringing in tens of millions of dollars in R&D funds from federal and international sponsors to Hawai'i, helping to stem the tide of "brain drain" of talented kama'aina kids going to the mainland. Makai is not unique among Hawaii technology companies in this. There is a tech community here that has made a strong economic impact in terms of high paying jobs, and demonstrated success in commercializing federal R&D, which has increased taxable revenue for the state, and brought home kama'aina scientists and engineers.

This bill would enhance the ability of Hawaii companies like Makai to outshine mainland peers in competitive federal R&D projects, bring home R&D dollars that greatly exceed the initial investment, and create a critical mass and a truly vibrant industry of innovative R&D companies in Hawaii. It would expand and diversify Hawaii's economy, and enable our tech industry to support high-paying, highly-skilled professional jobs for our keiki here at home.



This is why Makai **STRONGLY SUPPORTS SB995**. Thank you for the opportunity to testify.



Written Statement of  
**DR. PATRICK K. SULLIVAN**  
**PRESIDENT/CEO OCEANIT**

Before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT and TOURISM**  
&  
**SENATE COMMITTEE ON TECHNOLOGY**

February 5, 2019

2:50 p.m.

State Capitol, Conference Room 414

In Support of  
**SB 995 RELATING TO THE HAWAII TECHNOLOGY**  
**DEVELOPMENT CORPORATION**

To: Chair Glenn Wakai, Vice Chair Brian T. Taniguchi and Members of the Energy, Economic Development and Tourism Committee

Chair Jarrett Keohokalole, and Vice Chair J. Kalani English and the Members of the Technology Committee

From: Dr. Patrick K. Sullivan, President/CEO

Re: Testimony in Support of SB995

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in support of SB995**

The technology industry in Hawaii has grown over the past decade and has made significant strides towards achieving the goal of diversifying and stimulating Hawaii's economy. The continuation of the Small Business Innovation Research ("SBIR") grants is crucial to move the technology towards prototyping, customer interface, and commercialization,

The objectives of the SBIR grants are:

- To support economic growth and the diversification of our economy;
- To launch new ventures based on technology innovations; and
- To support the growth of the tech industry and the creation of intellectual property and innovation in the State.

We strongly urge you to support of SB995 and we appreciate your continued support of the technology industry.

**SB-995**

Submitted on: 2/2/2019 12:42:20 PM

Testimony for EET on 2/5/2019 2:50:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ann Chung	Individual	Support	Yes

Comments:

I STRONGLY SUPPORT SB995 relating to the Hawaii Technology Development Corporation which makes an appropriation into and out of the research and development special fund for the research and development program of HTDC. This is an existing program that was funded last session as Act 141 and I urge you to continue funding this very important program. There are many companies doing critical research and development in Hawaii and it is vital to Hawaii's future economic growth. The innovations that these companies are researching and developing bring in new dollars to our State's economy and create strong high-skilled, high-paying jobs - jobs for our kama'aina and to bring skilled kama'aina back home. We urge you to pass this bill.

Mahalo for this opportunity to testify.